



Connecticut General Assembly
SENATE DEMOCRATS

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Joint Testimony of Senate President Pro Tempore Martin Looney and
Senate Majority Leader Bob Duff before the Committee on Veterans' Affairs

In Support of Senate Bill 2: An Act Supporting Veteran-Owned Small Businesses

March 3, 2016

Senator Flexer, Representative Hennessey and members of the Veterans' Affairs Committee, we are here today to testify in support of Senate Bill 2, ***AN ACT SUPPORTING VETERAN-OWNED SMALL BUSINESSES***. Unemployment continues to be a concern for veterans, especially those who have returned since 2001 from tours of duty in Iraq and Afghanistan. According to statistics released in January 2016 by the United States Department of Labor, the unemployment rate for veterans who served on active duty in the U.S. Armed Forces since September 2001 is 5.7% -- more than 10% higher than the January 2016 national unemployment rate of 4.9%, and almost 10% higher than the December 2015 Connecticut unemployment rate of 5.2%. A deeper look at the statistics reveals that the unemployment situation is markedly worse nationally for female post 9-11 veterans, who in January 2016 had a much higher unemployment rate of 7.9%. That is a rate nearly 58% higher than the national unemployment rate, and 52% higher than the December 2015 Connecticut unemployment rate. **Here in Connecticut, according to our Department of Labor, the January 2016 unemployment rate for Connecticut post 9-11 veterans is the same as the national rate: 5.7%.** The CTDOL does not, however, have a breakdown of the differing rates between Connecticut male and female veterans.

Our post 9-11 vets are brave women and men who have served during an actual period of war, and who were willing to make the ultimate sacrifice for our country. They, and all of our veterans, are owed our highest debt. As policymakers, it is our duty to use every tool in the toolbox to improve the lives of these veterans and their families. Part of that duty to our veterans is to do everything we can to assure that they earn a good living -- either by being employed in a business owned by another or by starting and maintaining their own successful business.

Senate Bill 2 is a continuation of a multi-year effort by this legislature to improve the lives of our vets, and to help them earn a living. With regard to employment, the STEP-UP Employment Program for Veterans administered by the Department of Labor has helped over 400 veterans find quality employment. In addition, the Veterans for Agriculture Program, which was created last session, requires the Department of Agriculture to assist vets who want to start an

agricultural business. Moreover, in 2015, we passed the Veteran's Opportunity Pilot program to help homeless vets find jobs. As of August 2015, the program had already been credited with helping 75 homeless veterans from across the state to find employment.

This year, with Senate Bill 2, we propose to focus on supporting small businesses that are owned by veterans. The legislation's goals would be to spur veterans to start a business and to help small veteran-owned businesses to flourish. First, Senate Bill 2 would amend section 4-59a of the general statutes to allow the DAS Commissioner to give a 15% price preference to veteran-owned micro-businesses bidding on state contracts. Currently, the DAS Commissioner is authorized to give up to a 10% preference to any "micro-business", which is defined as having revenue of under \$3,000,000 in the previous year. This proposal would give such small businesses that are 51% owned by a veteran or veterans an extra 5% preference, on top of the existing 10% preference, when bidding. Second, in addition to the enhanced bidding preference, Senate Bill 2 would provide an exemption, for every veteran-owned business established on or after July 1, 2016, from the first \$250 business entity tax payment they would otherwise owe pursuant to section 12-284b of the general statutes.

Thank you for hearing this important bill. Please join us in supporting this critical assistance to small veteran-owned businesses here in Connecticut.